REMARKS

The present application was filed on June 29, 2001 with claims 1-39. Claims 1, 21, 25 and 39 are the independent claims.

In the outstanding Office Action dated March 9, 2007, the Examiner rejected claims 1-39 under 35 U.S.C. §102(e) as being anticipated by U.S. Patent No. 6,857,020 to Chaar et al. (hereinafter "Chaar").

Applicants respectfully request reconsideration of the present application in view of the amendments above and the remarks below.

Applicants have amended claims 1, 12, 21, 25 and 39 in this application. Applicants are not conceding in this application that those claims are not patentable over the art cited by the Examiner, as the present claim amendments and cancellations are only for facilitating expeditious prosecution. Applicants respectfully reserve the right to pursue these and other claims in one or more continuations and/or divisional patent applications.

With regard to the §102 rejection, Applicants initially note that MPEP §2131 specifies that a given claim is anticipated "only if each and every element as set forth in the claim is found, either expressly or inherently described, in a single prior art reference," citing *Verdegaal Bros. v. Union Oil Co. of California*, 814 F.2d 628, 631, 2 USPQ2d 1051, 1053 (Fed. Cir. 1987). Moreover, MPEP §2131 indicates that the cited reference must show the "identical invention . . . in as complete detail as is contained in the . . . claim," citing *Richardson v. Suzuki Motor Co.*, 868 F.2d 1226, 1236, 9 USPQ2d 1913, 1920 (Fed. Cir. 1989).

Applicants have amended independent claims 1, 21, 25 and 39 to recite limitations directed to automatically measuring the operation of at least one distributed element of the IT system in terms of one or more business metrics based on the electronic contract and based at least in part on input received from at least one agent nodule located in the at least one distributed element; automatically determining at least one financial optimization based at least part on the measured at least one or more business metrics of at least one element of the IT system and based at least in part on the electronic contract; and automatically issuing at least one control command based on the at least one financial optimization, the command to be executed on the at least one distributed element by the at

Attorney Docket No. YOR920010334US1

least one agent module located in the at least one distributed element. Support for these amendments

may be found in the specification at, for example, page 5, lines 5-13; page 6, lines 26-28; page 9, line

20 to page 10, line 3; page 10, line 22 to page 11, line 9; and page 12, lines 10-14. Applicants

respectfully submit that Chaar fails to teach at least the aforementioned limitations; for example,

Chaar fails to teach an agent module located in a distributed element and operative to measure the

operation of that distributed element in terms of business metrics based on the electronic contract and

then to execute a control command on the distributed element based on a financial optimization, the

financial optimization based at least in part on the measured business metrics.

Dependent claims 2-20, 22-24 and 26-38 are believed allowable at least by virtue of their

dependence from independent claims 1, 21 and 25, respectively. Additionally, one or more of these

claims define independently patentable subject matter.

In view of the above, Applicants believe that claims 1-39 are in condition for allowance, and

respectfully request withdrawal of the \$102(e) rejection.

Applicants note that both Chaar (Reel/Frame 011908/0621) and the present application

(Reel/Frame 012247/0426) are currently assigned of record to International Business Machines

Corporation (IBM). Furthermore, both Chaar and the claimed invention were subject to an

obligation of assignment to IBM at the time the claimed invention was made. Because Chaar

qualifies as prior art only under 35 U.S.C. §102(e), Applicant respectfully note that, pursuant to 35

U.S.C. §103(c), Chaar may not be used in any possible rejection under 35 U.S.C. §103.

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12